

November 10, 2008

### GARFIELD/ASOTIN COUNTY FSA NEWS

#### **Garfield County FSA**

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#### **Asotin County FSA**

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#### **Office Hours**

Monday – Friday 8:00 AM – 4:30 PM

## Garfield County FSA Committee

Diane Koller, Chair Max Scoggin, V-Chair Chris Wolf, Member

## Asotin County FSA Committee

Keith Claassen, Chair Casey Hagenah, V-Chair Susie Appleford, Member

#### Office Staff

Nick Waldher, CED Jon Wilson, Farm Loan Manager (Pasco Office) Kathi Ledgerwood Sherri Meacham Emily Ruchert Lorelei McNamee Sherri Maki

# Next FSA County Committee Meetings

Garfield County, Nov. 18 Asotin County, Nov. 20

#### 2008 Loan Rates

 SWW Wheat
 \$2.70/Bu

 HRS Wheat
 \$3.23/Bu

 HRW Wheat
 \$3.31/Bu

 Barley
 \$2.16/Bu or

 \$90.00/Ton

Contact the county office for loan rates for other crops for other counties.

National FSA Website www.fsa.usda.gov

Washington State FSA Website www.fsa.usda.gov/wa

Important Notice
The Asotin County FSA
Committee's request for
emergency grazing on CRP
has been denied by the FSA
National Office. Not dry
enough? Go figure!

#### **NEW FARM BILL MEETINGS SET**

Producer information meetings have been scheduled to provide information regarding new programs and updates to current programs that have been enacted by the 2008 Farm Bill. The first meeting will be in Pomeroy on November 18, 2008 at 9:00 AM at the Garfield County Fairgrounds Community Building. The second meeting will be in Asotin on November 20, 2008 at 9:00 AM at the Asotin County Fairgrounds-Floch Hall. There are several new programs implemented by the new farm bill and there will be major decisions that need to be made by farm operators and farm owners. This may be the most important meeting in many years regarding support programs that affect farmers in our area. Do not miss these meetings! It is not possible to provide this much information to producers one-on-one at the county office. We anticipate the meetings will last 3-4 hours.

#### 10 ACRE BASE OR LESS RULE SUSPENDED FOR 2008

The 2008 Farm Bill prohibited farms with crop acreage base of 10 acres or less from receiving payments through the Direct and Counter Cyclical Program (DCP) for 2008 and subsequent years. However, on October 18, 2008 the technical corrections bill for the 2008 Act was passed and it includes a change that suspends the 10.0 acre provision for the 2008 crop year. Producers on farms with 10.0 acres of base or less have been notified by letter that they have the opportunity to enroll in DCP and receive direct payments for 2008. The deadline to signup is **November 26, 2008**. The rule change only applies to 2008 and not to succeeding years.

#### **PULSE CROPS**

With the 2008 Farm Bill, pulse crops are now a covered commodity and are eligible to receive payments. Pulse crops include Dry peas, Lentils, and Large & Small Chickpeas. These crops will **not** be eligible for Direct DCP payments, but WILL be eligible for Counter Cyclical or ACRE payments. Producers with a history of growing these crops will be notified of their options regarding establishment of their pulse crop base.

#### AVERAGE CROP REVENUE ELECTION PROGRAM (ACRE)

The ACRE program is an alternative to the Direct & Counter Cyclical (DCP) program and therefore a producer must "elect" to participate. number basis, producers will elect to participate in DCP or participate in ACRE. but not both. All producers (operator and owners) on a farm must agree to participate in ACRE and file an election form. Once the election is made to participate in ACRE, it is irrevocable for the remainder of the farm bill through 2012. A farm can make this election in any year of the current farm bill, but once elected it is irrevocable. Elections for ACRE must be made by June 1 of the contract year. After choosing ACRE over DCP, a farm can be "Enrolled" in the ACRE program and only then can it begin to receive payments. Enrollment is similar to that of DCP and is completed annually if the producers choose to participate. The ACRE program provides for Direct Payments at a level equal to 80% of the Direct Payment under DCP. Participation in ACRE also requires a 30% reduction in the CCC loan rate. This reduction will affect market loan repayment levels and loan deficiency payments. Producers in ACRE give up Counter-Cyclical Payments, but gain ACRE payments instead. ACRE is a revenue protection program and takes into account both price and ACRE provides protection on actual crops planted rather than on a farm's base acreage. ACRE participants must also report five years of production to show proven yields in the first year and annual production every year thereafter. June 1 of each year is the deadline to enroll a farm in ACRE or DCP. ACRE payment calculations are very complex. Detailed information will be presented at the information meetings on Nov. 18 & Nov. 20. Please make every effort to attend one of these sessions. The beginning of signup for DCP or ACRE has not yet been announced.



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#### NEW SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM (SURE)

The SURE program is a new disaster program which will provide assistance for crop production and/or quality losses due to natural disasters. It will replace ad-hoc disaster programs and allows for a permanent program to deal with crop losses. This is a revenue based program that looks at an entire farming operation to determine payment amounts. SURE will be available in Secretarial declared disaster counties and those contiguous, and to individual producers who suffer a 50% production loss. To be eligible for SURE you must have obtained Federal Crop insurance or NAP on all of your crops. Most of these insurance deadlines have passed, however, for 2009 the NAP deadline has been extended to **December 1, 2008.** Coverage does not begin until 30 days after the NAP application is approved, therefore, we encourage all interested to apply and pay the fee as soon as possible. Two major changes from our last newsletter. First, there is now an exception for crops that are not economically significant and these do not have to be insured or covered by NAP. This includes crops that contribute less than 10% of the farm's income. Second, NAP coverage is not required on crops and rangeland intended for grazing to remain eligible for SURE on crops intended for hay or harvest. NAP is required on crops and rangeland intended for grazing to be eligible for the Livestock Forage Disaster Program (LFP). Producers who purchased NAP coverage may be eligible for a refund of the NAP fee if they only purchased NAP to meet the linkage requirements for either of the above situations. When will a refund be available? Not sure at this time. SURE will pay for losses beginning with the 2008 crop year through September 30, 2011. More information will be available at the information meetings on November 18 and November 20. Be there!

#### **PAYMENT ELIGIBILITY/LIMITATION**

All producers who participate in FSA programs will need to meet certain payment eligibility conditions and complete payment eligibility and payment limitation forms. Producers must meet all of the following to be eligible for payments:

#### 1. Highly Erodible Land and Wetland Conservation Provisions

Comply by completing AD-1026, farm all highly erodible land according to an approved conservation system and not disturb or manipulate any wetlands without prior approval.

#### 2. Adjust Gross Income Provisions

Producer's average adjusted gross income must be below established thresholds for three years prior to the year of participation, skipping the most recent year. For 2009, 2005-2007 will be used. The adjusted gross income limitations are as follows:

Conservation Programs - \$1,000,000 unless 66.66% is from farming and ranching

DCP & ACRE Direct Payments - \$500,000 non-farm, \$750,000 farm

DCP Counter-Cyclical Payments, ACRE payments - \$500,000 non-farm,

Price Support Programs, marketing loan gains, LDPs - \$500,000 non-farm

Disaster Programs (SURE, ELAP, LFP, LIP, TAP, NAP) - \$500,000 non-farm

#### 3. Payment Eligibility/Limitation

Payment limitations will be determined by "Direct Attribution" and by entity. The 3-entity rule is eliminated. Producers must be "actively engaged in farming", meet cash rent tenant rules, be a U. S. Citizen or legal immigrant and be at least 18 years old (with certain exceptions).

#### Don't miss the information meetings on November 18 and November 20!

#### **FARM LOAN FUNDS NOW AVAILABLE**

The new fiscal year 2009 has begun and direct loan funds have been set aside for youth loans, beginning farmer loans and FSA loans to purchase real estate or finance farm operating costs. Rural youth as young as 10 may qualify for a Youth Loan. Guaranteed loans for Operating and Real Estate purchase can now be up to \$1,094,000. Don't wait; get started on your 2009 farm loan needs today. Contact Jonathan, Joyce or Pam at (509) 545-8543 ext. 2 at FSA in Pasco or email jon.wilson@wa.usda.gov.

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